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**UNITED STATES DISTRICT COURT**  
**DISTRICT OF OREGON**

PAMELA T. CANNATARO, Individually and  
on behalf of all others similarly situated,

Plaintiff,

v.

PORTLAND GENERAL ELECTRIC  
COMPANY, MARIA M. POPE, and JAMES F.  
LOBDELL,

Defendants.

Case No. \_\_\_\_\_

**CLASS ACTION COMPLAINT FOR  
VIOLATIONS OF THE FEDERAL  
SECURITIES LAWS**

**JURY TRIAL DEMANDED**

Plaintiff Pamela T. Cannataro (“Plaintiff”), individually and on behalf of all other persons similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants (defined below), alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon,

inter alia, the investigation conducted by and through her attorneys, which included, among other things, a review of the Defendants' public documents, announcements, public filings, wire and press releases published by and regarding Portland General Electric Company ("PGE" or the "Company"), and information readily obtainable on the Internet. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

### **NATURE OF THE ACTION**

1. This is a class action on behalf of persons or entities who purchased or otherwise acquired publicly traded PGE securities between April 24, 2020 and August 24, 2020, inclusive (the "Class Period"). Plaintiff seeks to recover compensable damages caused by Defendants' violations of the federal securities laws under the Securities Exchange Act of 1934 (the "Exchange Act").

### **JURISDICTION AND VENUE**

2. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

3. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

4. This Court has jurisdiction over each defendant named herein because each defendant has sufficient minimum contacts with this judicial district so as to render the exercise of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.

5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)) as the alleged misstatements entered and the subsequent damages took place in this judicial district and the Company is based in this district.

6. In connection with the acts, conduct and other wrongs alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails and interstate telephone communications.

### **PARTIES**

7. Plaintiff, as set forth in the accompanying Certification, purchased the Company's securities at artificially inflated prices during the Class Period and was damaged upon the revelation of the alleged corrective disclosure.

8. Defendant PGE purports to, since 1889, be a vertically-integrated electric utility engaged in the generation, transmission, distribution, and retail sale of electricity in the state of Oregon. In addition, the Company participates in wholesale markets by purchasing and selling electricity and natural gas.

9. The Company is incorporated in Oregon and its head office is located at 121 South West Salmon Street, Portland, Oregon 97204. PGE shares trade on the New York Stock Exchange ("NYSE") market under the ticker symbol "POR."

10. Defendant Maria Pope ("Pope") has served as the Company's Chief Executive Officer ("CEO") and President since 2018. Defendant Pope joined the Company as its Chief Financial Officer in 2009.

11. Defendant James “Jim” F. Lobdell (“Lobdell”) has served as the Company’s Chief Financial Officer since 2013. Defendant Lobdell also serves as the Company’s Senior Vice President of Finance and Treasurer.

12. Defendants Pope and Lobdell are collectively referred to herein as the “Individual Defendants.”

13. Each of the Individual Defendants:

- (a) directly participated in the management of the Company;
- (b) was directly involved in the day-to-day operations of the Company at the highest levels;
- (c) was privy to confidential proprietary information concerning the Company and its business and operations;
- (d) was directly or indirectly involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein;
- (e) was directly or indirectly involved in the oversight or implementation of the Company’s internal controls;
- (f) was aware of or recklessly disregarded the fact that the false and misleading statements were being issued concerning the Company; and/or
- (g) approved or ratified these statements in violation of the federal securities laws.

14. The Company is liable for the acts of the Individual Defendants and its employees under the doctrine of *respondeat superior* and common law principles of agency

because all of the wrongful acts complained of herein were carried out within the scope of their employment.

15. The scienter of the Individual Defendants and other employees and agents of the Company is similarly imputed to the Company under *respondeat superior* and agency principles.

16. The Company and the Individual Defendants are referred to herein, collectively, as the “Defendants.”

**SUBSTANTIVE ALLEGATIONS**  
**Materially False and Misleading**  
**Statements Issued During the Class Period**

17. On April 24, 2020, PGE filed its quarterly report on Form 10-Q with the SEC for the quarter ended March 31, 2020 (the “1Q20 Report”). The 1Q20 Report was signed by Defendant Lobdell. Attached to the 1Q20 Report were certifications pursuant to the Sarbanes-Oxley Act of 2002 (“SOX”) signed by Defendants Pope and Lobdell attesting to the accuracy of the financial statements and the disclosure of all fraud.

18. The 1Q20 Report stated the following, in pertinent part, regarding the Company’s wholesale activities and downplaying its risks with wholesale activities:

***Wholesale Revenues***

***PGE participates in the wholesale electricity marketplace in order to balance its supply of power to meet the needs of its retail customers.*** Interconnected transmission systems in the western United States serve utilities with diverse load requirements and allow the Company to purchase and sell electricity within the region depending upon the relative price and availability of power; hydro, solar and wind condition; and daily and seasonal retail demand.

***PGE’s Wholesale revenues are primarily short-term electricity sales to utilities and power marketers that consist of single performance obligations that are satisfied as energy is transferred to the counterparty.*** The Company may choose to net certain purchase and sale transactions in which it would simultaneously receive and deliver physical power with the same counterparty; in such cases,

only the net amount of those purchases or sales required to meet retail and wholesale obligations will be physically settled and recorded in Wholesale revenues.

\* \* \*

***PGE participates in the wholesale marketplace to balance its supply of power, which consists of its own generation combined with wholesale market transactions, to meet the needs of its retail customers, manage risk, and administer its existing long-term wholesale contracts.*** Wholesale market transactions include purchases and sales of both power and fuel resulting from economic dispatch decisions for Company-owned generation resources. ***As a result of this ongoing business activity, PGE is exposed to commodity price risk and foreign currency exchange rate risk, from which changes in prices and/or rates may affect the Company's financial position, results of operations, or cash flows.***

***PGE utilizes derivative instruments to manage its exposure to commodity price risk and foreign exchange rate risk to reduce volatility*** in NVPC [net variable power costs] for its retail customers. Such derivative instruments, recorded at fair value on the condensed consolidated balance sheets, may include forward, futures, swaps, and option contracts for electricity, natural gas, and foreign currency, with changes in fair value recorded in the condensed consolidated statements of income and comprehensive income. In accordance with the ratemaking and cost recovery processes authorized by the OPUC [Public Utility Commission of Oregon], the Company recognizes a regulatory asset or liability to defer the gains and losses from derivative activity until settlement of the associated derivative instrument. PGE may designate certain derivative instruments as cash flow hedges or may use derivative instruments as economic hedges. ***The Company does not engage in trading activities for non-retail purposes.***

\* \* \*

PGE is a vertically-integrated electric utility engaged in the generation, transmission, distribution, and retail sale of electricity in the state of Oregon. In addition, ***the Company participates in wholesale markets by purchasing and selling electricity and natural gas in an effort to meet the needs of, and obtain reasonably-priced power for, its retail customers.*** The Company generates revenues and cash flows primarily from the sale and distribution of electricity to retail customers in its service territory.

\* \* \*

***In combination with electricity provided by its own generation portfolio, to meet its retail load requirements and balance its energy supply with customer***

***demand, PGE purchases and sells electricity in the wholesale market.*** PGE participates in the California Independent System Operator's Energy Imbalance Market, which allows the Company to integrate more renewable energy into the grid by better matching the variable output of renewable resources. PGE also purchases natural gas in the United States and Canada to fuel its generation portfolio and sells excess gas back into the wholesale market.

The Company generates revenues and cash flows primarily from the sale and distribution of electricity to its retail customers. The impact of seasonal weather conditions on demand for electricity can cause the Company's revenues, cash flows, and income from operations to fluctuate from period to period. Historically, PGE has experienced its highest MWa deliveries and retail energy sales during the winter heating season, although peak deliveries have increased during the summer months, generally resulting from air conditioning demand. Retail customer price changes and customer usage patterns, which can be affected by the economy, also have an effect on revenues. Wholesale power availability and price, hydro and wind generation, and fuel costs for thermal and gas plants can also affect income from operations.

\* \* \*

PGE utilizes a combination of its own generating resources and wholesale market transactions to meet the energy needs of its retail customers. ***The Company continuously makes economic dispatch decisions to obtain reasonably-priced power for its retail customers based on numerous factors, including plant availability, customer demand, river flows, wind conditions, and current wholesale prices.*** As a result, the amount of power generated and purchased in the wholesale market to meet the Company's retail load requirement can vary from period to period.

\* \* \*

***Wholesale revenues for the three months ended March 31, 2020 increased \$10 million, or 27%, from the three months ended March 31, 2019, as sales volumes increased 151%, the effect of which was partially offset by a 50% drop in the average wholesale sales price.*** The price decline was due to a relatively mild winter and strong wind generation during the first quarter of 2020.

*Other operating revenues* for the three months ended March 31, 2020 decreased \$15 million from the three months ended March 31, 2019 driven primarily by market conditions that provided less revenue from the sale of natural gas in excess of amounts needed for the Company's generation portfolio back into the wholesale market. Natural gas prices were considerably higher in the first quarter of 2019 as a result of a supply pipeline disruption in the region and the milder than average winter in North America in 2020, which resulted in an oversupply of natural gas and lower prices.

(Emphasis added.)

19. The 1Q20 Report stated the following, in pertinent part, regarding the Company's controls and procedures:

*Disclosure Controls and Procedures*

PGE's management, under the supervision and with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, ***PGE's Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2020, these disclosure controls and procedures were effective.***

*Changes in Internal Control over Financial Reporting*

There were no changes in PGE's internal control over financial reporting that occurred during the period covered by this quarterly report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

(Emphasis added.)

20. Also on April 24, 2020, PGE issued a press release entitled "Portland General Electric announces first quarter 2020 results" which quoted Defendant Pope stating the following:

"Our financial performance this quarter largely reflects conditions experienced prior to the COVID-19 pandemic," said Maria Pope, PGE president and CEO. "PGE is committed to serving the needs of our customers and our community during this time. ***Given the deteriorating economic outlook, the company is revising full-year earnings guidance to \$2.20 to \$2.50 per diluted share. This guidance includes a decrease in annual retail deliveries of 1 to 2%, weather adjusted, and reflects management actions to reduce operating and maintenance and capital spending.*** Our forecasts of long-term earnings growth remain at 4 to 6%."

(Emphasis added.)



21. On July 31, 2020, PGE filed its quarterly report on Form 10-Q with the SEC for the quarter ended June 30, 2020 (the “2Q20 Report”). The 2Q20 Report was signed by Defendant Lobdell. Attached to the 2Q20 Report were certifications pursuant to SOX signed by Defendants Pope and Lobdell attesting to the accuracy of the financial statements and the disclosure of all fraud.

22. The 2Q20 Report stated the following, in pertinent part, regarding the Company’s wholesale activities and downplaying its risks with wholesale activities:

***Wholesale Revenues***

***PGE participates in the wholesale electricity marketplace in order to balance its supply of power to meet the needs of its retail customers.*** Interconnected transmission systems in the western United States serve utilities with diverse load requirements and allow the Company to purchase and sell electricity within the region depending upon the relative price and availability of power; hydro, solar and wind conditions; and daily and seasonal retail demand.

PGE’s Wholesale revenues are primarily short-term electricity sales to utilities and power marketers that consist of single performance obligations that are satisfied as energy is transferred to the counterparty. The Company may choose to net certain purchase and sale transactions in which it would simultaneously receive and deliver physical power with the same counterparty; in such cases, only the net amount of those purchases or sales required to meet retail and wholesale obligations will be physically settled and recorded in Wholesale revenues.

\* \* \*

***PGE participates in the wholesale marketplace to balance its supply of power, which consists of its own generation combined with wholesale market transactions, to meet the needs of its retail customers, manage risk, and administer its existing long-term wholesale contracts. Wholesale market transactions include purchases and sales of both power and fuel resulting from economic dispatch decisions for Company-owned generation resources.*** As a result of this ongoing business activity, PGE is exposed to commodity price risk and foreign currency exchange rate risk, from which changes in prices and/or rates may affect the Company’s financial position, results of operations, or cash flows.

***PGE utilizes derivative instruments to manage its exposure to commodity price risk and foreign exchange rate risk to reduce volatility in NVPC for its retail customers.*** Such derivative instruments, recorded at fair value on the condensed consolidated balance sheets, may include forwards, futures, swaps, and options contracts for electricity, natural gas, and foreign currency, with changes in fair value recorded in the condensed consolidated statements of income and comprehensive income. In accordance with the ratemaking and cost recovery processes authorized by the OPUC, the Company recognizes a regulatory asset or liability to defer the gains and losses from derivative activity until settlement of the associated derivative instrument. PGE may designate certain derivative instruments as cash flow hedges or may use derivative instruments as economic hedges. ***The Company does not engage in trading activities for non-retail purposes.***

\* \* \*

PGE is a vertically-integrated electric utility engaged in the generation, transmission, distribution, and retail sale of electricity in the state of Oregon. ***In addition, the Company participates in wholesale markets by purchasing and selling electricity and natural gas in an effort to meet the needs of, and obtain reasonably-priced power for, its retail customers.*** The Company generates revenues and cash flows primarily from the sale and distribution of electricity to retail customers in its service territory.

PGE has been affected by the COVID-19 pandemic, but the Company is confident in its ability to manage through the crisis. ***PGE remains committed to continuing to achieve steady growth and returns as the Company transforms to meet the challenges of climate change and an ever-evolving energy grid.***

\* \* \*

In combination with electricity provided by its own generation portfolio, ***to meet its retail load requirements and balance its energy supply with customer demand, PGE purchases and sells electricity in the wholesale market.*** PGE also participates in the California Independent System Operator's Energy Imbalance Market, which allows the Company to integrate more renewable energy into the grid by better matching the variable output of renewable resources. PGE also purchases natural gas in the United States and Canada to fuel its generation portfolio and sells excess gas back into the wholesale market.

The Company generates revenues and cash flows primarily from the sale and distribution of electricity to its retail customers. The impact of seasonal weather conditions on demand for electricity can cause the Company's revenues, cash flows, and income from operations to fluctuate from period to period. Historically, PGE has experienced its highest MWa deliveries and retail energy sales during the winter heating season, although peak deliveries have increased

during the summer months, generally resulting from air conditioning demand. Retail customer price changes and customer usage patterns, which can be affected by the economy, also have an effect on revenues. Wholesale power availability and price, hydro and wind generation, and fuel costs for thermal and gas plants can also affect income from operations.

\* \* \*

*PGE utilizes a combination of its own generating resources and wholesale market transactions to meet the energy needs of its retail customers. The Company continuously makes economic dispatch decisions to obtain reasonably-priced power for its retail customers* based on numerous factors, including plant availability, customer demand, river flows, wind conditions, and current wholesale prices. As a result, the amount of power generated and purchased in the wholesale market to meet the Company's retail load requirement can vary from period to period.

\* \* \*

*Wholesale revenues for the three months ended June 30, 2020 increased \$11 million, or 69%, from the three months ended June 30, 2019, as a result of a \$10 million increase related to 64% greater wholesale sales volume and a \$1 million increase as a result of 4% higher average wholesale sales prices.*

*Wholesale revenues for the six months ended June 30, 2020 increased \$21 million, or 40%, from the six months ended June 30, 2019,* as sales volumes more than doubled, the effect of which was partially offset by a 32% reduction in the average wholesale sales price. The price decline was due to the relatively high wholesale prices experienced during early 2019 as a result of natural gas availability constraints combined with weaker than average regional hydro production. More normal conditions have returned during 2020 along with a relatively mild winter and strong wind generation during the first quarter.

\* \* \*

Other operating revenue for the six months ended June 30, 2020 decreased \$19 million from the six months ended June 30, 2019 driven primarily by market conditions that provided less revenue from the sale of natural gas, in excess of amounts needed for the Company's generation portfolio, back into the wholesale market. Natural gas prices were considerably higher in the first quarter of 2019 as a result of a supply pipeline disruption in the region and the milder than average winter in North America in 2020, which resulted in an oversupply of natural gas and lower prices.

(Emphasis added.)

23. The 2Q20 Report stated the following regarding the Company's controls and procedures:

*Disclosure Controls and Procedures*

PGE's management, under the supervision and with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, ***PGE's Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2020, these disclosure controls and procedures were effective.***

*Changes in Internal Control over Financial Reporting*

There were no changes in PGE's internal control over financial reporting that occurred during the period covered by this quarterly report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

(Emphasis added.)

24. Also on July 31, 2020, PGE issued a press release entitled "Portland General Electric announces second quarter 2020 results" which stated the following regarding the Company's purported focus on keeping operating expenses and costs low and reaffirming its 2020 earnings guidance:

"We achieved solid second quarter financial results, driven by a combination of favorable hydro and wind conditions and ***lower operating expenses***," said Maria Pope, PGE president and CEO. "***As an essential service provider, we will continue working to keep costs low*** to support economic recovery and the communities we serve in this unprecedented time."

\* \* \*

***PGE is reaffirming its 2020 earnings guidance of \$2.20 to \$2.50 per diluted share.***

(Emphasis added.)

25. The statements referenced in ¶¶ 17-24 above were materially false and/or misleading because they misrepresented and failed to disclose the following adverse facts pertaining to the Company's business, operational and financial results, which were known to Defendants or recklessly disregarded by them. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (1) PGE downplayed risks with its trading activity in wholesale electricity markets; (2) PGE's wholesale energy trading activity would result in at least \$127 million of realized and unrealized losses; (3) as a result, PGE would need to significantly cut its per-share guidance; (4) as opposed to Defendants statements, PGE was not focused on and achieving low operating expenses; (5) PGE had inadequate disclosure controls and procedures and internal control over financial reporting; and (6) as a result, Defendants' public statements were materially false and/or misleading at all relevant times.

### **THE TRUTH EMERGES**

26. On August 24, 2020, after market hours, PGE issued a press release entitled "Portland General Electric Provides Business Update" which announced the following, in relevant part:

***PORTLAND, Ore., August 24, 2020 – Portland General Electric Company (NYSE: POR) ("PGE" or the "Company") today provided a business update in connection with energy trading activity in certain wholesale electricity markets that has resulted in realized and unrealized losses of \$127 million as of August 24, 2020.***

#### **Background and Formation of Special Committee**

***PGE personnel entered into a number of energy trades during 2020, with increasing volume accumulating late in the second quarter and into the third quarter, resulting in significant exposure to the Company.***

In August 2020, this portion of PGE's energy portfolio experienced significant losses as wholesale electricity prices increased substantially at various market hubs due to extreme weather conditions, constraints to regional transmission facilities, and changes in power supply in the West. During this time period, the

California Independent System Operator (CAISO) declared a Stage 3 Electrical Emergency and ordered the first rolling blackouts in the state of California since 2001.

As a result of the convergence of these conditions, ***the Company's energy portfolio, as of August 24, 2020, has experienced realized losses of \$104 million and unrealized, mark-to-market losses of \$23 million.*** Total third quarter losses in the portfolio are estimated to be up to \$155 million subject to market conditions – ***although the ultimate amount of losses could exceed that amount.***

***The increase in net variable power costs due to this trading activity will be recognized in PGE's results of operations.*** There will be no impact to customer prices, as the Company will not pursue regulatory recovery. The Company noted that the loss does not impact PGE's ability to serve customers.

Promptly upon learning of the issue, the PGE Board of Directors formed a Special Committee comprising five independent Board members (John Ballantine, Jack Davis (Chair), Kathryn Jackson, Neil Nelson and Charles Shivery) to review the energy trading that led to the losses and the Company's procedures and controls related to the trading, and to make recommendations to the Board for appropriate action. The Special Committee has retained Simpson Thacher & Bartlett LLP as its independent legal advisor, which expects to engage additional advisors on behalf of the Special Committee during the course of this review.

Skadden, Arps, Slate, Meagher & Flom LLP is serving as the Company's legal advisor, and J.P. Morgan Securities LLC is serving as its financial advisor. ***PGE has engaged and is actively working with an external consultant to perform a full operational review of the Company's energy supply risk management policies, procedures and personnel. In addition, PGE has placed two individuals on administrative leave, pending review, and enhanced oversight including implementing immediate supervisory and reporting changes in advance of the conclusion of a broader evaluation.***

#### Annual Earnings Guidance

***PGE is revising its full-year 2020 guidance from \$2.20 to \$2.50 per diluted share to \$1.30 to \$1.60 per diluted share*** due to the impacts of higher net variable power costs.

(Emphasis added.)

27. On this news, shares of PGE fell \$4.80, or 11%, over the next two trading days, to close at \$37.16 per share on August 26, 2020, on unusually heavy trading volume, damaging investors.

28. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

### **PLAINTIFF'S CLASS ACTION ALLEGATIONS**

29. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons other than defendants who acquired PGE securities publicly traded on the NYSE during the Class Period, and who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of PGE and its subsidiaries, members of the Individual Defendants' immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

30. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, PGE securities were actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds, if not thousands of members in the proposed Class.

31. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

32. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.



33. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the Exchange Act was violated by Defendants' acts as alleged herein;
- whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the financial condition and business of PGE;
- whether Defendants' public statements to the investing public during the Class Period omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;
- whether the Defendants caused the Company to issue false and misleading filings during the Class Period;
- whether Defendants acted knowingly or recklessly in issuing false filings;
- whether the prices of PGE securities during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

34. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.



35. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- PGE shares met the requirements for listing, and were listed and actively traded on the NYSE, an efficient market;
- As a public issuer, the Company filed periodic public reports;
- PGE regularly communicated with public investors via established market communication mechanisms, including through the regular dissemination of press releases via major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services;
- PGE's securities were liquid and traded with moderate to heavy volume during the Class Period; and
- The Company was followed by a number of securities analysts employed by major brokerage firms who wrote reports that were widely distributed and publicly available.

36. Based on the foregoing, the market for PGE securities promptly digested current information regarding the Company from all publicly available sources and reflected such information in the prices of the securities, and Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

37. Alternatively, Plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128 (1972), as Defendants omitted material information in

their Class Period statements in violation of a duty to disclose such information as detailed above.

**COUNT I**  
**For Violations of Section 10(b) And Rule 10b-5 Promulgated Thereunder**  
**Against All Defendants**

38. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

39. This Count is asserted against Defendants is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

40. During the Class Period, Defendants, individually and in concert, directly or indirectly, disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

41. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

- employed devices, schemes and artifices to defraud;
- made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- engaged in acts, practices and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of PGE securities during the Class Period.

42. Defendants acted with scienter in that they knew that the public documents and statements issued or disseminated in the name of PGE were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing

public; and knowingly and substantially participated, or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the securities laws. These Defendants by virtue of their receipt of information reflecting the true facts of the Company, their control over, and/or receipt and/or modification of PGE's allegedly materially misleading statements, and/or their associations with the Company which made them privy to confidential proprietary information concerning the Company, participated in the fraudulent scheme alleged herein.

43. Individual Defendants, who are the senior officers of the Company, had actual knowledge of the material omissions and/or the falsity of the material statements set forth above, and intended to deceive Plaintiff and the other members of the Class, or, in the alternative, acted with reckless disregard for the truth when they failed to ascertain and disclose the true facts in the statements made by them or other PGE personnel to members of the investing public, including Plaintiff and the Class.

44. As a result of the foregoing, the market price of PGE securities was artificially inflated during the Class Period. In ignorance of the falsity of Defendants' statements, Plaintiff and the other members of the Class relied on the statements described above and/or the integrity of the market price of PGE securities during the Class Period in purchasing PGE securities at prices that were artificially inflated as a result of Defendants' false and misleading statements.

45. Had Plaintiff and the other members of the Class been aware that the market price of PGE securities had been artificially and falsely inflated by Defendants' misleading statements and by the material adverse information which Defendants did not disclose, they would not have purchased PGE securities at the artificially inflated prices that they did, or at all.

46. As a result of the wrongful conduct alleged herein, Plaintiff and other members of the Class have suffered damages in an amount to be established at trial.

47. By reason of the foregoing, Defendants have violated Section 10(b) of the 1934 Act and Rule 10b-5 promulgated thereunder and are liable to the plaintiff and the other members of the Class for substantial damages which they suffered in connection with their purchase of PGE securities during the Class Period.

**COUNT II**  
**Violations of Section 20(a) of the Exchange Act**  
**Against the Individual Defendants**

48. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

49. During the Class Period, the Individual Defendants participated in the operation and management of the Company, and conducted and participated, directly and indirectly, in the conduct of PGE business affairs. Because of their senior positions, they knew the adverse non-public information about the Company's false financial statements.

50. As officers of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to PGE's financial condition and results of operations, and to correct promptly any public statements issued by the Company which had become materially false or misleading.

51. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which PGE disseminated in the marketplace during the Class Period concerning the Company's results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause the Company to engage in the wrongful

acts complained of herein. The Individual Defendants, therefore, were “controlling persons” of the Company within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of PGE securities.

52. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by the Company.

### **PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiff, on behalf of himself and the Class, prays for judgment and relief as follows:

(a) declaring this action to be a proper class action, designating Plaintiff as Lead Plaintiff and certifying Plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure and designating Plaintiff’s counsel as Lead Counsel;

(b) awarding damages in favor of Plaintiff and the other Class members against all Defendants, jointly and severally, together with interest thereon;

(c) awarding Plaintiff and the Class reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) awarding Plaintiff and other members of the Class such other and further relief as the Court may deem just and proper.

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**JURY TRIAL DEMANDED**

Plaintiff hereby demands a trial by jury.

Dated: September 11, 2020.

**BLACK HELTERLINE LLP**

By: s/ Britta E. Warren  
Britta E. Warren, OSB No. 065441  
Matthew D. Colley, OSB No. 125084  
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*Counsel for Plaintiff*

## Certification and Authorization of Named Plaintiff Pursuant to Federal Securities Laws

The individual or institution listed below (the "Plaintiff") authorizes and, upon execution of the accompanying retainer agreement by The Rosen Law Firm P.A., retains The Rosen Law Firm P.A. to file an action under the federal securities laws to recover damages and to seek other relief against Portland General Electric Company. The Rosen Law Firm P.A. will prosecute the action on a contingent fee basis and will advance all costs and expenses. The Portland General Electric Company. Retention Agreement provided to the Plaintiff is incorporated by reference, upon execution by The Rosen Law Firm P.A.

**First name:** Pamela  
**Middle initial:** T  
**Last name:** Cannataro  
**Address:** Redacted  
**City:**  
**State:**  
**Zip:**  
**Country:**  
**Facsimile:**  
**Phone:**  
**Email:**

Plaintiff certifies that:

1. Plaintiff has reviewed the complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of a class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff represents and warrants that he/she/it is fully authorized to enter into and execute this certification.
5. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.
6. Plaintiff has made no transaction(s) during the Class Period in the debt or equity securities that are the subject of this action except those set forth below:

Acquisitions:

Type of Security	Buy Date	# of Shares	Price per Share
Common Stock	8/13/20	50	42.00

7. I have not served as a representative party on behalf of a class under the federal securities laws during the last three years, except if detailed below. [ ]

I declare under penalty of perjury, under the laws of the United States, that the information entered is accurate:

**YES**

### Certification for Pamela Cannataro (cont.)

By clicking on the button below, I intend to sign and execute this agreement and retain the Rosen Law Firm, P.A. to proceed on Plaintiff's behalf, on a contingent fee basis.

YES

Signed pursuant to California Civil Code Section 1633.1, et seq. - and the Uniform Electronic Transactions Act as adopted by the various states and territories of the United States.

Date of signing: 09/11/2020

Pamela Carter